MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

July 2009

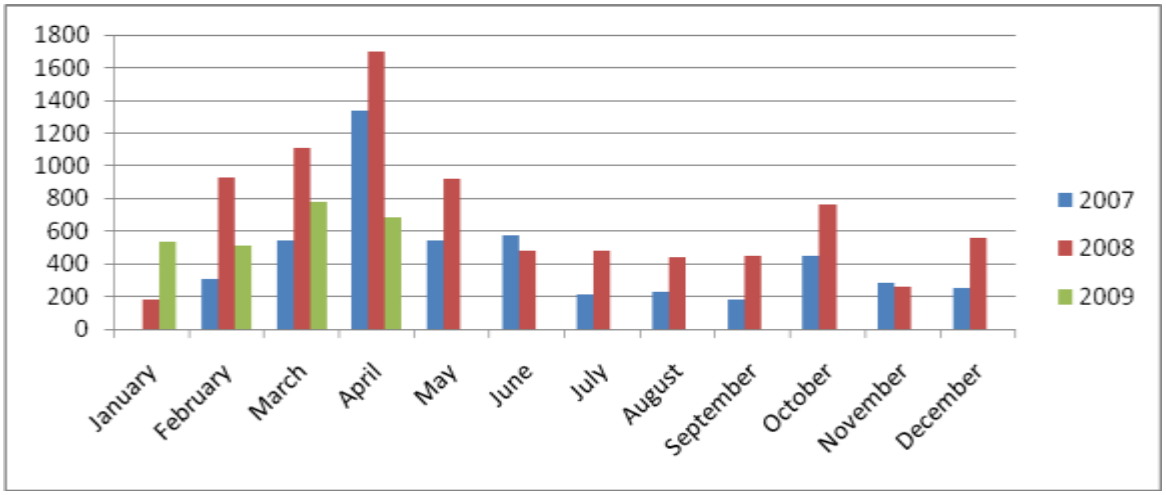
CENTER FOR INFORMATION SYSTEMS AND ANALYSIS

Maryland Trauma Physician Services Fund

Uncompensated Care Processing

CoreSource, Inc., the third party administrator (TPA) for the Trauma Fund, adjudicated claims with a total paid value of approximately $565,515 in May. CoreSource has not reported June claims information to date. The monthly payments for uncompensated care since February 2007 are shown below in Figure 1.

Figure 1 – Uncompensated Care Payments 2007-2009



The Commission approved an 8 percent reduction in uncompensated care, on-call, and stand-by payments for FY 2010, which began July 1, 2009. Payments from the Fund cannot exceed what is collected from the Fund in a given fiscal year. Uncompensated care payments, Medicaid shortfall payments, and increases in on-call stipends have increased, while revenue from automobile registrations and registration renewals has declined as a result of the economic down turn.

Contract for Audit Services

A contract for auditing of the Maryland Trauma Physician Services Fund and the Health Insurance Partnership has been awarded to Clifton Gunderson LLP, following approval by the Board of Public Works on June 17, 2008.

Patient Centered Medical Home Workgroup

The Maryland Quality and Cost Council's Patient Centered Medical Home Workgroup and its three subgroups on which MHCC staff are participants have been meeting regularly throughout April, May and June. The Workgroup's chair presented an update to the Maryland Health Quality and Cost Council on June 10th. The Workgroup has established a subgroup to consider Payment options, which will meet on

June 19, 2009 at 9:00 a.m. at the Maryland Health Care Commission. Information regarding the work of each of the subgroups and the Workgroup, as well as the schedule of upcoming meetings, is available on the Council's website at: http://dhmh.state.md.us/mhqcc/pcmh.html. The Workgroup is developing a plan for a Multi-stakeholder PCMH demonstration that it will submit to the Governor's Health Cost and Quality Council this summer.

Cost and Quality Analysis

Maryland Board of Physicians Renewal Survey

The Health Care Access and Reimbursement Task Force (Task Force) recommended that the Physician Renewal Questionnaire be modified to more accurately gauge changes in the active practice physician work force. The MHCC staff revised the questionnaire to: 1) obtain the needed information on physician activity hours and practice characteristics, and 2) minimize the burden on physicians who have to complete the survey by deleting several questions, reorganizing the questions to have a more logical flow, utilizing skip patterns in the online survey to minimize the number of questions that a physician has to answer (based on the physician's patient care characteristics), and adding "help screens" to certain questions to clarify the expected responses. The new information items include:

- More detail on the number of hours worked by physicians practicing in Maryland, including how these hours are allocated across categories of activity;
- Identification of physicians in a residency or post-graduate training program to better classify physicians in active practice;
- Information on practice size, including the numbers of physician and non-physician providers of medical care;
- Whether the physician has admitting privileges at one or more hospitals located inside and outside of Maryland; and
- Whether physicians engaged in patient care have limited their practices by: 1) not participating in any public or private insurance plans, or 2) having a "concierge medicine" practice.

The MHCC consulted with both the Maryland Board of Physicians and the Office of Health Policy & Planning in DHMH's Family Health Administration in developing the survey revisions, and details of the survey revisions were sent to the Maryland Hospital Association and MedChi for their review. David Mitchell of the MHCC worked closely with Chris Triplett of the BOP to implement the necessary changes in the online survey, and the BOP staff has conducted extensive testing of this survey, which goes "live" on July 13th. Beginning this year, the BOP renewal survey must be completed online; the paper version—submitted by about 10 percent of physicians—has been discontinued due to the time and expense associated with entering information from the paper surveys into the electronic data base. Most of the other health professional licensing boards have similarly eliminated paper licensing renewals.

Consumer-Directed Health Plans (CDHPs) in Maryland: Does Spending Differ for Enrollees?

The results of this study of enrollment and spending patterns in consumer-directed health plans (CDHPs)—discussed in April's update—will be presented at the July Commission meeting. The study has been revised to focus exclusively on use and spending patterns in the small group market (CSHBP), which is the only segment of the privately insured in the Medical Care Data Base (MCDB) for which the MHCC has enrollment information. Expenditures per enrollee are an important factor in explaining the differences in premium rates for CDHP versus non-CDHP products. Eligibility information from all payers that submit data to the MCDB will become a requirement beginning with the 2011 data submission (2010 claims data).

Report on Use of Practitioner Services by the Nonelderly, Privately Insured in Maryland
This annual report is nearing completion and a summary of its highlights will be presented at the July Commission meeting. Among those who used the services of a health professional, the average payment in 2007 was $974 across all nonelderly users, and $1,081 among those enrolled for the entire year. These expenditures are three percent higher than their respective values in 2006. The average expenditure grew faster among users enrolled in HMO plans (a five percent increase) than among those in non-HMO plans (a two percent increase). However, the average expenditure for a user in an HMO plan was about 19 percent lower than the average for a non-HMO user: $939 versus $1166 (full-year enrollment). The payment per unit of service (relative value unit) grew by 0.8 percent from 2006 to 2007 to $37.67 per RVU.

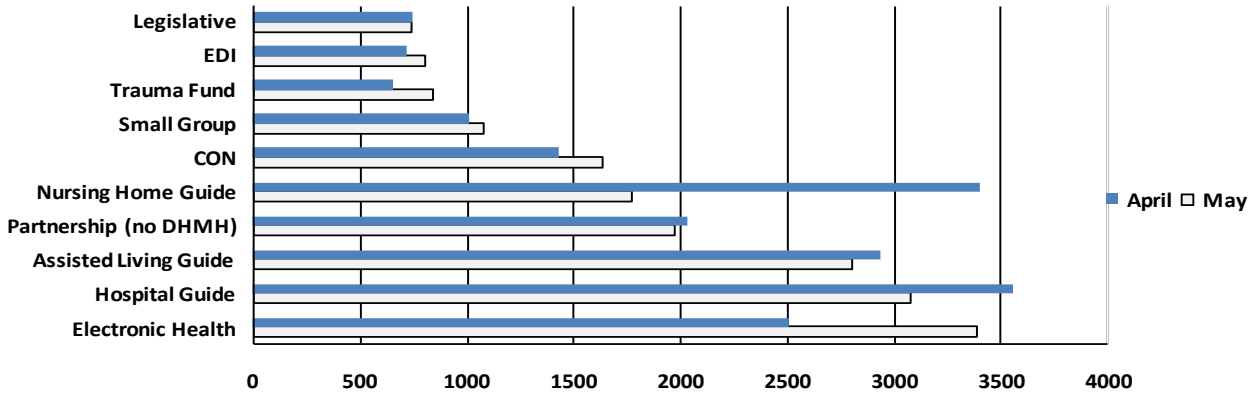
Data and Software Development

Visitor Traffic on MHCC's Web Site
Figure 2 presents results on web utilization for the Commission's ten most frequently visited sites for April and May 2009. The total overall number of visits dropped again, about 9 percent, from April to May, ending with just under 26,000 visits.

Electronic Health and two of the Guides (Hospital, and Assisted Living) had the highest amount of traffic during the month, with about 36 percent of all visits. This is a change from April with the usage of the Nursing Home Guide dropping by 48 percent. The combined usage for the three Guides dropped from 35 percent of all visits in April to 23 percent of all visits in May. The largest increases in usage were found in the Electronic Health and Trauma Fund web pages, 35 percent and 28 percent respectively. Other changes in usage for the month of May were between 6-15 percent for increases and 1-5 percent for decreases. The access of the Partnership and the Legislative websites was steady with previous months.

The average time spent on the site changed for the first time in months, with a decrease of about 10 percent. Time spent on a site is a good indicator of the site's usefulness to a visitor. Very short average times on a site may indicate the site was reached in error or the site was identified via a Google search. There were sizeable decreases the time on the site in the CON Section, Prescription Drugs, the State Health Plan, and Patient Safety. The only significant increase was on the Long Term Care Survey site, which is due to facilities preparing to their 2008 survey. The pages views per visitor also decreased by 7 percent. As in past months, about one third of all visitors originated from a Maryland-based ISP, about the same as the past three months. Those visitors tend to view more pages and spend longer time on the site than most of the other users.

Figure 2: Visits to the MHCC Web Sites
Top 10 MHCC Sites during April & May 2009



Web Development for Internal Applications
Staff continued to make progress on license renewal applications for the occupation boards. Table 1 presents the status on development on the sites. The current workload and the limited staff available for development has forced MHCC to scale back support to the Boards in the last several months.

Table 1– Web Applications Under Development

Client	Anticipated Start Development/Renewal	Anticipated Launch
AHRQ QI Installation	Planning	Delayed
Chiropractic Examiners	Complete	June 2009
EHN Accreditation Application	Testing	July 2009
Home Health Survey	Testing	September 2009
Long Term Care Survey	Development	July 2009
Partnership Modification	Development	August 2009
Physician Survey	Testing	July 2009

CENTERS FOR HEALTH CARE FINANCING AND LONG-TERM CARE AND COMMUNITY BASED SERVICES

Small Group Market

Comprehensive Standard Health Benefit Plan (CSHBP)
At the March public meeting, the Commission adopted final regulations to implement the following changes to the CSHBP: requiring coverage for certain child dependents up to age 25, and requiring coverage for the surgical treatment of morbid obesity. These coverage changes were implemented effective July 1, 2009.

With the enactment of HB 610, Bona Fide Wellness Program Incentives, the Commission adopted proposed permanent regulations at the June meeting so that the wellness regulations (COMAR 31.11.14) comply with this new law while maintaining a provision currently in these regulations to ensure that the components of a wellness benefit include a health risk assessment, written feedback to those who complete the health risk assessment, and a financial incentive to promote preventive care, healthy behavior, or participation in a disease management or case management program. These regulations will be posted in the Maryland Register on July 31st for the required 30-day comment period.

With the enactment of SB 637/HB 674, the Commission is required to study (1) options to implement the use of value-based health care services and increase efficiencies in the CSHBP; and (2) potential options for allowing plans with fewer benefits than the Standard Plan. This report is due by December 1, 2009. This Act also requires the Commission to post on the MHCC website and update quarterly premium comparisons of health benefit plans issued in the small group market.

Health Insurance Partnership
The premium subsidy program known as "The Partnership" is currently available to certain small employers with 2 to 9 full time employees as long as they meet the requirements outlined in the law and meet certain salary, wage and other eligibility requirements established by the Commission through regulation. Coverage under the Partnership began on October 1, 2008. As of July 7th, enrollment in the Partnership was as follows: 195 businesses; 547 employees; 898 covered lives. The average subsidy per enrolled employee is $1,835; the average age of all enrolled employees is 39; the group average wage is almost $28,000; the average number of employees per policy is 3.8; and the total subsidy amount issued is $1,003,674.

At the June public meeting, the Commission adopted as both emergency and proposed permanent, a few changes to the Partnership regulations along with updates to the Program Design Factors, including a new maximum subsidy table. These regulations will be posted in the *Maryland Register* on July 31st for the required 30-day comment period. The emergency regulations and the updated Program Design Factors will be effective beginning October 1, 2009.

Commission staff created and continually maintains the Partnership website (http://mhcc.maryland.gov/partnership) to inform all interested parties, including, carriers, producers, employers, employees, various business associations, etc. about this subsidy program.

Mandated Health Insurance Services
No requests for analysis were submitted by legislators on any proposed mandates and no new mandates failed during the 2009 legislative session, therefore there will not be an actuarial review conducted in 2009.

Long Term Care Quality Initiative

LTC Website Expansion
Work is continuing on the work plan to transition the current web site to highlight LTC services that support living at home or alternative community setting. Meetings with LifeSpan Network and the Health Facilities Association of Maryland to discuss website plans and share ideas were productive.

Nursing Home Family Survey
July 1st started the new contract year for the family survey. This year the scope of work adds a short stay survey to be mailed to recently discharged residents of nursing homes. There are at least 40,000 short stay discharges annually from Maryland nursing homes and industry trends indicate an increase in short stay admissions. MHCC is partnering with the Agency for Healthcare Research & Quality (AHRQ) by using the Nursing Home CAHPS Short Stay Survey as the survey instrument. AHRQ will provide data analysis and facility reports. The short stay questionnaire is directed to the resident rather than the family or responsible party.

Other activities
An MHCC proposal submitted to the annual conference sponsored by LifeSpan Network and the Health Facilities Association of Maryland has been accepted for presentation. The conference will be held in September 2009.

The MHCC has registered as an exhibitor at the fall Baltimore Senior Expo. Visitors to the booth will be able to learn about features in the current Nursing Home and Assisted Living Guide, preview the proposed web site, and provide feedback on the new site.

CENTER FOR HOSPITAL SERVICES

Hospital Services Policy and Planning

Certificate of Need (CON)
May 1, 2009 through June 30, 2009

CONs Issued

Harford Memorial Hospital (Harford County) – Docket No. 09-12-2290
Renovate existing space at the hospital to add 16 medical/surgical/gynecological/addictions ("MSGA") beds
Cost: $2,443,754

CON Applications Dismissed From Further Review

Abraham Healthcare Services (Frederick County) – Matter No. 08-10-2252
Establish a general home health agency to serve Frederick County

American Health First (Frederick County) – Matter No. 08-10-2253
Establish a general home health agency to serve Frederick County

BMA Healthcare Services, Inc. (Frederick County) – Matter No. 08-10-2256
Establish a general home health agency to serve Frederick County

Boyo Home Health Care Services Agency, Inc. (Frederick County) – Matter No. 08-10-2257
Establish a general home health agency to serve Frederick County

FEM Nursing Services, Inc. (Frederick County) – Matter No. 08-10-2263
Establish a general home health agency to serve Frederick County

Home Health Connections (Frederick County) – Matter No. 08-10-2280
Establish a general home health agency to serve Frederick County

JPS Services (Frederick County) – Matter No. 08-10-2266
Establish a general home health agency to serve Frederick County

Speqtrum, Inc. (Frederick County) – Matter No. 08-10-2279
Establish a general home health agency to serve Frederick County

Pre-Licensure/First Use Approvals Issued (Completion of CON-Approved Projects)

Carroll Hospital Center (Carroll County) – Docket No. 05-06-2166
Expansion and renovation including fit-out of 5-South (24 additional MSGA beds), construction of 5-West (18 additional MSGA beds), expansion of nuclear medicine, and renovation and expansion of operating room capacity and surgical support areas. The project, as completed, did not include the construction of additional outpatient space (5 North) or conversion of the 1 West MSGA unit to non-patient care space, as originally authorized.
Cost: $27,950,000

Peninsula Regional Medical Center (Wicomico County) – Docket No. 06-22-2183
Establish a Level IIIa perinatal program, including a Level IIIa neonatal intensive care unit

Cost: $10,000

Johns Hopkins Bayview Medical Center (Baltimore City) – Docket No. 08-24-2289
Renovation to create 4 new mixed-use operating rooms and surgical support space; construction of mechanical penthouse for air handling requirements
Total Project Cost: $24,352,934
Partial First Use Approval: 1 of the 4 new operating rooms, new air handling system, and corridor
Cost of Facilities Approved for First Use: $3,413,462

CON Letters of Intent

Kaiser Foundation Health Plan of the Mid Atlantic States, Inc. (Baltimore City and Baltimore County)
Establish a free-standing multi-specialty ambulatory surgical facility

Carroll Hospital Center (Carroll County)
Add 2 operating rooms

Delmarva Surgery Center (Cecil County)
Add an operating room

University of Maryland Medical Center (Baltimore City)
Construct an 8-story building addition at the corner of Penn and Lombard Streets and renovate existing hospital space to create new MSGA nursing units (intensive and intermediate care), expand emergency department facilities, and add 5 operating rooms

CON Applications Filed

Frederick Surgical Center (Frederick County) – Matter No. 09-10-2296
Replace and relocate an existing ambulatory surgical facility from 915 Toll House Avenue, Frederick to 45 Thomas Johnson Drive, Frederick.
Cost: $2,449,540

Pre-Application Conference

Carroll Hospital Center (Carroll County)
Add 2 operating rooms
June 17, 2009

Application Review Conference

Frederick Surgical Center (Frederick County) – Matter No. 09-10-2296
Replace and relocate an existing ambulatory surgical facility
Via conference call on May 27, 2009

Determinations of Coverage

Acquisitions or Change of Ownership

Suburban Hospital (Montgomery County)
Acquisition of Suburban Hospital by the Johns Hopkins Health System Corporation

Allegany County Nursing & Rehabilitation Center (Allegany County)
Acquisition of Allegany County Nursing & Rehabilitation Center by Allegany Healthcare Group, L.L.C.

Capital Endoscopy & Surgery Center (Prince George's County)
Change in ownership interest

The Eye Surgery Center (Montgomery County)
Change in ownership interest

Capital Threshold

Civista Medical Center (Charles County)
Renovate and enlarge laboratory facilities
Cost: $420,000
MHA Bond Program Funding Request

University Specialty Hospital (Baltimore City)
Expand oxygen tank capacity
Cost: $1,300,000
MHA Bond Program Funding Request

Potomac Ridge Behavioral Health System (Montgomery County)
Renovate existing space to expand outpatient programs
Cost: $468,215
MHA Bond Program Funding Request

Carroll Hospital Center (Carroll County)
Renovate a facility to provide primary medical care services
Cost: $1,500,000
MHA Bond Program Funding Request

Peninsula Regional Medical Center (Wicomico County)
Renovate obstetric/perinatal facilities
Cost: $750,000
MHA Bond Program Funding Request

University of Maryland Medical Center (Baltimore City)
Demolish former Maryland Pharmacy Association Building
Cost: $150,000

Delicensure of Bed Capacity or a Health Care Facility

The Ambulatory Care Center (Carroll County)
Temporary delicensure of an ambulatory surgical facility

Relicensure of Bed Capacity or a Health Care Facility

FutureCare-Cherrywood (Baltimore County)
Relicense 6 comprehensive care facility ("CCF") beds

FutureCare-Old Court (Baltimore County)
Relicense 5 CCF beds

FutureCare-Pineview (Prince George's County)

Relicense 10 CCF beds (approval of plan)

FutureCare-Chesapeake (Anne Arundel County)
Relicense 6 CCF beds (approval of plan)

Relinquishment of Bed Capacity

The Wesley (Springwell Nursing & Rehabilitation Center) – Baltimore City
Permanent relinquishment of 75 CCF beds

Crawford Retreat (Baltimore City)
Permanent relinquishment of 2 CCF beds

Other

Union Memorial Hospital (Baltimore City)
Reallocate licensed bed capacity. Allocate 264 of the hospital's total 292 licensed acute care beds to MSGA services, an increase of 4 MSGA beds, and allocate 2 of the hospital's total licensed acute care beds to pediatrics, a decrease of 4 pediatric beds

Harford Memorial Hospital (Harford County)
Renovate existing space at the hospital to add 16 MSGA beds
Cost: $2,443,754
MHA Bond Program Funding Request – confirmation to MHA that the proposed capital expenditure was under review as a CON application

Sinai Hospital of Baltimore (Baltimore County)
Renovate existing space to add 4 operating rooms and expand pre-operative and post-anesthesia care facilities
Cost: $21,907,540
MHA Bond Program Funding Request – confirmation to MHA that the proposed capital expenditure was authorized through a CON (Docket No. 09-15-2293)

Waiver Beds

Potomac Ridge Behavioral Health at Rockville (Montgomery County)
Add 10 special hospital-psychiatric beds

Villa Joint Retirement Convent (Frederick County)
Add 4 CCF beds

St. Thomas More Health Care (Prince George's County)
Add 10 CCF beds

St. Catherine Nursing Center
Add 7 CCF bed

Fairland Nursing & Rehabilitation Center (Montgomery County)
Add 5 CCF beds

Policy and Planning

On May 8, 2009, Center for Hospital Services staff met with HSCRC staff and staff of St. Paul Computing Center to discuss the implications for MHCC work of changes being made in how hospital outpatient service episodes are recorded in HSCRC data bases.

On May 28, 2009, Center for Hospital Services staff met with staff of the Office of Health Care Quality of the Department of Health and Mental Hygiene to discuss several areas of mutual interest with respect to MHCC regulatory activity and health facility's licensure.

In May, Center for Hospital Services staff completed work on this year's hospital bed and service inventory surveys, which were distributed as a single package to Maryland's general and special hospitals in the first week of June. This survey establishes the allocation of acute care hospital beds among four services for the coming fiscal year and, in addition to gathering data on all types of hospital bed capacity, also includes surveys of emergency department treatment capacity, surgical facilities capacity, obstetric and perinatal services capacity, psychiatric facilities capacity, and medical rehabilitation and other special hospital bed services capacity. This year, the survey was expanded to include information on surgical cases and surgical case times, in order to more accurately gauge true operating room activity, which is difficult given the limitations of existing hospital data bases. The total number of acute care hospital beds that will be licensed for Maryland's 47 general acute care hospitals in Fiscal Year 2010, which begins on July 1, 2009, will be 10,880 beds, an increase of just 53 beds over the FY 2009 total of 10,827 beds. This is the second smallest year to year increase in acute care hospital bed capacity since the current formula-driven licensure program was initiated in Maryland in 2000. It indicates that the average daily census in Maryland's general hospitals in the twelve months that ended on March 31, 2009 was only 0.5% larger than the average daily census for the twelve month period that ended on March 31, 2008.

On June 4, 2009, Center for Hospital Services staff visited Montgomery General Hospital to review current patient room configurations and discuss proposed changes in patient room numbers and configuration related to a CON application currently under review (Matter No. 09-15-2293).

Hospital Quality Initiatives

- ***Hospital Performance Evaluation Guide (HPEG) Committee***

The HPEG Advisory Committee held its monthly meeting on May 18th to discuss various activities associated with the maintenance and expansion of the Hospital Performance Evaluation Guide (HPEG). MHCC recently received the 1st and 2nd quarters 2008 core performance measure data from CMS through the QIO Clinical Data Warehouse for Maryland hospitals. The 2008 data has been analyzed and distributed to hospitals for review prior to display on the Hospital Guide. The Guide was updated with the more current data in June.

During the May meeting, representatives from the Iowa Foundation for Medical Care (IFMC) presented an overview of the new Quality Measures Data Center (QMDC). MHCC has engaged the services of the IFMC to facilitate the implementation of the QMDC, a web site that will allow hospitals to submit clinical and patient satisfaction data directly to the MHCC. This approach will not only accelerate the timely receipt of data directly from hospitals, but will enable the Commission to validate the accuracy and completeness of the data as well.

- ***State Briefing on Future Directions of Public Reporting of Hospital Performance and Quality Measures in Maryland***

On June 23rd, the MHCC, in partnership with the Maryland Hospital Association, held a statewide briefing on Future Directions in Public Reporting of Hospital Performance and Quality Measures in Maryland. The Commission's plan to establish the new Quality Measures Data Center (QMDC) was presented to the hospital industry at the statewide briefing with an invitation for hospitals to participate in a follow up conference call and webinar scheduled for mid July to discuss the technical details of the new QMDC website. The QMDC will serve as a website for hospitals to report quality measure and patient experience data directly to the Commission. The briefing also included presentations from representatives from the National Quality Forum, the Health Services Cost Review Commission and the Maryland Office of Health Care Quality on current and planned activities of their respective agencies surrounding hospital quality measures and performance monitoring. Pam Barclay provided a preliminary review of the Maryland hospital performance for fiscal year 2008 based on quality measure data currently reported.

- ***Healthcare-Associated Infections (HAI) Advisory Committee***

Staff is analyzing the results of three surveys undertaken related to healthcare-associated infections. Under the guidance of the Healthcare-Associated Infections (HAI) Advisory Committee, the staff developed the *2009 Annual Survey of Maryland Hospital Infection Prevention and Control Programs.* The Survey is designed to collect information on the staffing, operations and activities of hospital infection prevention and control programs in Maryland. The survey is a web-based tool that will assist the Commission in understanding the basic characteristics of hospital programs and inform statewide HAI public reporting and quality improvement initiatives. Each hospital has submitted their completed survey and staff is in the process of summarizing the results for dissemination to hospitals and other interested parties.

Working with the HAI Advisory Committee, staff also developed a survey for collecting data on the rate of Health Care Worker (HCW) Influenza Vaccination in hospitals. This survey, which was conducted for the period October 1, 2008-March 31, 2009, represents a pilot project that will provide information on vaccination rates and compare each hospital to the State as a whole and other benchmarks. The results of the pilot will be used to develop an on-going, annual survey of hospital employee vaccination practices that will be reported on the Hospital Guide beginning with the 2009-2010 flu season.

An online, quarterly survey for collecting data Active Surveillance Testing (AST) for MRSA in hospital ICUs (excluding NICUs) was also developed and implemented. This survey tool collects data on a process measure that evaluates the rate of hospital screening (AST) for MRSA for patients admitted to ICUs. It is not an outcome measure that evaluates the rate of MRSA colonization or infection in the hospital. The first quarter (January-March 2009) results of this survey are being reviewed for completeness and will be distributed to hospitals for review in July.

Staff has issued a Request for Proposals (RFP) to obtain the services of a contractor with expertise and experience in the quality review of HAI data. The contractor will perform an assessment of the accuracy and completeness of the Commission's data on Central Line- Associated Blood Stream Infections (CLABSI). Since July 1, 2008, Maryland hospitals have been required to use the CDC's National Healthcare Safety Network (NHSN) surveillance system to report data to the Commission on CLABSIs in any ICU on a monthly basis. The deadline for submission of proposals in response to the solicitation was July 2nd. The staff is in the process of establishing a review committee to evaluate the proposal submissions.

- ***Other Activities***

Staff, in collaboration with the Department of Health and Mental Hygiene (DHMH) has developed and submitted a proposal in response to Funding Opportunity Number: CI07-70402ARRA09, Epidemiology and Laboratory Capacity for Infectious Diseases (ELC), Healthcare-Associated Infections - Building and Sustaining State Programs to Prevent Healthcare-associated Infections. The Maryland proposed project,

which applies for funding to address the three activities (coordination and reporting of HAI data, detection and reporting of HAI data, and establishing a prevention collaborative) outlined in this announcement, will be a collaborative effort of the Maryland Health Quality and Cost Council, DHMH, and the MHCC. The funds available under this program will enable Maryland to expand its current efforts to meet the challenge of preventing HAIs.

Staff continues to participate in the monthly NHSN State Users teleconferences to stay abreast of issues surrounding HAI hospital performance measures and to share information with other states on relevant activities and projects. In addition, Staff have actively participated in the Evidence-Based Medicine Workgroup of the Maryland Health Quality and Cost Council. In support of MHCC's hospital quality initiatives, the staff continues to reach out to other units within DHMH, federal agencies, professional organizations and other states, to share and gather information and to identify opportunities for collaboration and improvement. The staff continues to collaborate with the HSCRC staff on data issues to support the Quality Based Reimbursement project and broader rate setting issues.

Specialized Services Policy and Planning

On June 18, 2009, the Commission adopted amendments to COMAR 10.24.05 Research Waiver Applications: Atlantic C-PORT Study of Non-Primary PCI. Under COMAR 10.24.05, qualified hospitals without on-site cardiac surgical services may receive a research waiver to participate in an elective angioplasty study conducted by the Atlantic Cardiovascular Patient Outcomes Research Team (C-PORT E). The amendments permit the Commission to consider granting research waivers to a maximum of three additional hospitals whose applications were docketed and pending as of March 18, 2009. The full text of the proposed amendments was published in the *Maryland Register* on April 24, 2009; the Commission received no public comments on the proposed amendments during the formal comment period, which ended on May 26, 2009. Notice of the Commission's final action was published in the *Maryland Register* on July 6, 2009; the effective date of the changes to the regulations is July 16, 2009. The Joint Committee on Administrative, Executive, and Legislative Review approved emergency amendments to COMAR 10.24.05; the effective dates for the emergency status are April 11, 2009 through September 14, 2009. During its public meeting on June 18th, the Commission granted research waivers to Baltimore Washington Medical Center, Holy Cross Hospital, and Johns Hopkins Bayview Medical Center, resulting in a total of nine hospitals that have received approval to participate in the C-PORT E. study.

The State Health Plan for Cardiac Surgery and Percutaneous Coronary Intervention Services (COMAR 10.24.17) requires Maryland hospitals without on-site cardiac surgery to obtain a waiver to provide primary percutaneous coronary intervention, which is the emergency use of catheter-based techniques, including balloon angioplasty, to relieve coronary vessel narrowing in patients with ST-segment elevation myocardial infarction. On July 6, 2009, Carroll Hospital Center timely filed an application to renew its primary PCI waiver. The Commission may issue a waiver for a two-year period, provided that the applicant hospital meets and continues to meet all requirements for primary PCI programs without on-site cardiac surgery.

On April 16th, the Commission took action to amend COMAR 10.24.17 by requiring, effective January 1, 2010, that hospitals provide primary PCI with a door-to-balloon time within 90 minutes for at least 75 percent of appropriate patients. Notice of the proposed action was published in the *Maryland Register* on May 22, 2009. The Commission accepted public comments until June 23, 2009; no written comments were received. The Commission will consider final action on the proposed amendments at its public meeting on July 16th.

CENTER FOR HEALTH INFORMATION TECHNOLOGY

Health Information Technology

Staff released the *Health Information Technology – An Assessment of Maryland Hospitals* report. The report is based upon the responses from the *2008 Hospital Health Information Technology Survey* (survey) that was completed by all acute care hospitals in Maryland last spring. The survey focused on seven core health information technology (HIT) components that improve patient safety and enhance the quality and efficiencies of health care delivery. The report assesses hospital HIT adoption based on size, geographic location, and hospital affiliation. The results indicate that Maryland hospitals are making notable strides in HIT adoption, with most planning to expand HIT in the near future. Staff initiated a review of data from a similar set of HIT questions that were included in the annual *Maryland Freestanding Ambulatory Surgical Center (FASC) Survey* that was released in April. A draft report with the findings from the FASC survey is scheduled for release in the fall.

In collaboration with MedChi, The State Medical Society, MHCC convened a day-long symposium on *Electronic Health Records (EHRs): Practical Applications for the Physician Practice*. This event was held in Columbia, MD and attended by more than 130 physicians and practice administrators. Roughly 20 EHR vendors certified by the Certification Commission for Healthcare Information Technology (CCHIT) exhibited their solutions at the event. Exhibitors were limited to only those EHR vendors that currently participate in MHCC's Product Portfolio, which contains user references, pricing, and policies for privacy and security. The symposium provided the attendees with an overview of the EHR products, federal and state initiatives, how to manage the transition to EHRs, and presented information that addressed key legal consideration about adopting EHRs. MedChi has expressed interest in convening a similar educational forum at another location within the state in the fall.

Staff continued developing its vision document for a management services organization (MSO) that seeks MHCC designation. MSOs are considered a viable alternative to the traditional client server model for EHRs. These organizations offer EHRs through an application service provider (ASP) model where the physician pays a monthly subscription fee to access the application via the Internet. MSOs are capable of supporting multiple EHR products at reduced costs through economies of scale and bulk purchasing. This approach allows physicians to own their data without managing the security of the information. MSOs often provide extended hours of support beyond what is usually available from vendors in an environment where the software is hosted on the physician's server. During the 2009 legislative session, the General Assembly passed House Bill 706: *Electronic Health Records – Regulation and Reimbursement* which requires the MHCC to designate one or more MSOs as an alternative to standalone EHRs. The document will provide a vision of designated MSOs in Maryland and is scheduled for release later this summer.

In anticipation of the Office of the National Coordinator for Health Information Technology's (ONC) release of requirements for states seeking funding under the *American Reinvestment and Recovery Act of 2009* (ARRA), staff initiated efforts to expand its *HIT Strategic Plan* (plan). The plan will provide a roadmap outlining EHR and HIE initiatives in Maryland. Funding available under the ARRA address HIT infrastructure, policy and standards efforts, funding federal agencies, providing grants to states, and developing and implementing a state loan program for provider purchase, training, and technical support. The plan will position MHCC to harness available funding opportunities to implement HIT. ONC expects to release guidelines on infrastructure grants around the end of summer.

Efforts are underway to develop the second edition of the MHCC EHR Product Portfolio (portfolio). Evaluation and comparison information on EHRs is available on the MHCC website. The portfolio contains a core set of product information that will assist physicians in assessing EHRs. The portfolio

includes only those vendors that meet the most stringent CCHIT certification standards relating to functionality, interoperability, and security. Staff plans to use CCHIT's 2009 certification criteria in identifying EHR vendors to participate in the second edition of the portfolio. The 2009 CCHIT criteria expands the requirements for interoperability and clinical decision support. Staff is in the initial stages of developing a vendor contact directory as the first step in assessing vendor participation interest. Among other things, the next edition will require vendors to complete a five year pricing projection matrix. This matrix will complement the line item pricing list currently available in the first edition. EHR vendors offering both a client server and an ASP model will also be asked to provide individual pricing information for both models. Staff expects to release the second edition of the portfolio in October.

Staff completed the data analysis of the *Nursing Home Electronic Health Records Environmental Scan*, which assessed the responses from 51 Maryland nursing homes on EHR adoption. Staff is drafting an information brief based on key findings pertaining to implementation, adoption barriers, and planning. Staff anticipates completing the draft in July and will review this information with a group of responders to explore technology adoption opportunities; this meeting is tentatively scheduled for August. Staff contacted roughly 24 vendors that offer EHR products specific to nursing homes to assess their interest in participating in a web-based product portfolio (portfolio). Vendors interested in participating were asked to provide five references, standard product information, pricing structure, and policies related to privacy and security. The portfolio is planned for release around the end of the year.

Staff continues to develop educational material aimed at physicians participating in the treatment group of the Centers for Medicare and Medicaid Services (CMS) five year EHR demonstration project. Physician practices chosen to take part in the demonstration project can receive up to $290,000 in monetary incentives over a one year period if they implement a certified EHR and actively report on quality measures throughout the project. Maryland is one of four states selected by CMS to participate in the demonstration project.

Health Information Exchange

Last month staff received four responses to its Request for Application (RFA) for *A Consumer-Centric Health Information Exchange in Maryland*. The RFA required interested multi-stakeholder groups to submit a response by June 12th that addressed issues related to governance, privacy and security, role-based access, user authentication and trust hierarchies, architecture of the exchange, hardware and software solutions, costs of implementation, alternative sustainable business models, and strategies to assure appropriate consumer engagement, access, and control over information exchange. During the month, a review committee consisting of internal and external reviewers completed the evaluation of the RFAs. Staff recommendations for a multi-stakeholder group will be presented to the Commission at the July meeting. The HSCRC will make a funding determination at the August 5th Commission meeting.

Staff made revisions to several documents contained in the Health Information Security & Privacy Collaboration's (HISPC) Adoption of Standards Collaborative Workgroup (workgroup) information toolkit. Participating states are required to test various policy toolkits relating to privacy and security as part of a four month contract extension. In May, ONC extended the workgroup contract to complete additional policy analysis on a number of provider and consumer toolkits. The original contract was for approximately ten months and focused on select privacy and security policies for interstate exchange of electronic patient information. Health Care Information Consultants is providing support during the field testing of policies with provider organizations.

Staff continues to provide support to the Electronic Healthcare Network Accreditation Commission's (EHNAC) Health Information Exchange (HIE) Policy Accreditation Advisory Panel (advisory panel). Last fall, EHNAC invited stakeholders to participate on an advisory panel to identify criteria that could be used in a certification program for organizations that exchange clinical data electronically. Three meetings were convened by the advisory panel during the month, each focused on crafting policies related to protecting the technology. The advisory panel expects to begin a more in-depth discussion on data

sharing privacy protections in August. The advisory panel also anticipates releasing draft recommendations for public comment in the fall. EHNAC anticipates making this accreditation program available to HIEs in 2010.

During the month, staff expanded its review of data integration vendors that facilitate interoperability for HIEs to include MedPlus and Medicity. In the prior month, staff assessed Axolotl, dbMotion and Wellogic on their ability to incorporate relevant clinical information from providers. Generally speaking, these vendors offer a service-oriented architecture with built-in support for dashboards, events and alerts, and other clinical decision support features. These vendors deliver services through an integrated platform that allows for customization and enables incremental addition of functionality as the HIE evolves. The multi-stakeholder group selected to implement the statewide HIE is likely to select one of these technology partners in executing the design of the statewide HIE.

Staff continues to discuss with representatives from the Maryland Medical Assistance Program (Medicaid) opportunities to coordinate implementing a statewide HIE with the replacement of the Medicaid Management Information Systems (MMIS). Medicaid is in the early stages of planning to implement a Medicaid Information Technology Architecture (MITA), through an integrated business and information technology transformation across the Medicaid enterprise in order to improve the administration of the Medicaid program. As an initiative, MITA plans to promote improvements in the Medicaid enterprise and the systems that support it through collaboration between CMS and the states. Staff requested a copy of the MITA Implementation Advanced Planning Document that was submitted to CMS.

Electronic Health Networks & Electronic Data Interchange

Staff provided consultative support to nearly 28 payers in completing their online 2008 EDI Progress Report. Payers are required to submit an annual report consistent with COMAR 10.25.09, *Requirements for Payers to Designate Electronic Health Networks* by June 30th. The regulations require payers with a premium volume of $1 million or more to submit a census report each year on the number of administrative health care transactions. This year, approximately 68 payers are required to submit an EDI Progress Report. Payer data is compiled and reported in aggregate and used by payers and medical associations to increase the use of technology.

Staff is working with two electronic health networks (network) to complete their initial application for MHCC certification. Obtaining MHCC certification will enable these networks to provide direct routing service to payers of administrative transactions originating in Maryland. During the month, staff continued to test an on-line application for networks to use in submitting their certification and recertification application. Networks recertified during the month include MD-Online and Navicure. Staff also provided comments to EHNAC on the next version of their security criteria.

National Networking

Staff participated in a number of webinars during the month. The Office of the National Coordinator for Health Information Technology *HIT Policy Committee*, which provided an update from the federal advisory workgroups on meaningful use, certification/adoption, and information exchange; a town hall discussion with CCHIT, which was aimed at gathering input on new certification approaches; the Agency for Healthcare Research and Quality *E-Prescribing and Medication Management: The New Paradigm for Provider and Pharmacist Interaction*, which explored the impact of HIT on transmitting prescription information; Health Data Management's *From the Pharmacy to the Bedside: Preventing Medication Errors with Barcode Technology*, which focused on the many uses of bar-coding in hospitals; and Healthcare IT News, *Lead the Transformation in Healthcare Information Exchange with Innovative Integration Technology*, which discussed improved performance through an infrastructure focused on bringing data together in a single health integration platform.